

House File 70 - Introduced

HOUSE FILE 70

BY RIDING

A BILL FOR

1 An Act providing for small business eligibility to qualify for
2 and obtain specified energy-related financial assistance.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 473.19, subsections 1 and 2, Code 2013,
2 are amended to read as follows:

3 1. The building energy management program is established
4 by the authority. The building energy management program
5 consists of the following forms of assistance for the state,
6 state agencies, political subdivisions of the state, school
7 districts, area education agencies, community colleges, ~~and~~
8 nonprofit organizations, and small businesses:

9 a. Promoting program availability.

10 b. Developing or identifying guidelines and model energy
11 techniques for the completion of energy analyses for state
12 agencies, political subdivisions of the state, school
13 districts, area education agencies, community colleges, ~~and~~
14 nonprofit organizations, and small businesses.

15 c. Providing technical assistance for conducting or
16 evaluating energy analyses for state agencies, political
17 subdivisions of the state, school districts, area education
18 agencies, community colleges, ~~and~~ nonprofit organizations, and
19 small businesses.

20 d. Providing or facilitating loans, leases, and other
21 methods of alternative financing under the energy loan program
22 for the state, state agencies, political subdivisions of the
23 state, school districts, area education agencies, community
24 colleges, ~~and~~ nonprofit organizations, and small businesses to
25 implement energy management improvements or energy analyses.

26 e. Providing assistance for obtaining insurance on the
27 energy savings expected to be realized from the implementation
28 of energy management improvements.

29 f. Facilitating self-liquidating financing for the state,
30 state agencies, political subdivisions of the state, school
31 districts, area education agencies, community colleges, ~~and~~
32 nonprofit organizations, and small businesses pursuant to
33 section 473.20A.

34 g. Assisting the treasurer of state with financing
35 agreements entered into by the treasurer of state on behalf

1 of state agencies to finance energy management improvements
2 pursuant to section 12.28.

3 2. For the purpose of this section, section 473.13A,
4 473.19A, section 473.20, and section 473.20A, "*energy management*
5 *improvement*" means construction, rehabilitation, acquisition,
6 or modification of an installation in a facility or vehicle
7 which is intended to reduce energy consumption, or energy
8 costs, or both, or allow the use of alternative and renewable
9 energy. "*Energy management improvement*" may include control
10 and measurement devices. "*Nonprofit organization*" means an
11 organization exempt from federal income taxation under section
12 501(c)(3) of the Internal Revenue Code. "*Small business*" means
13 the same as defined in section 15.102, subsection 10.

14 Sec. 2. Section 473.19A, subsection 2, paragraph b,
15 subparagraph (1), unnumbered paragraph 1, Code 2013, is amended
16 to read as follows:

17 Moneys received in the form of fees imposed upon the state,
18 state agencies, political subdivisions of the state, school
19 districts, area education agencies, community colleges, ~~and~~
20 nonprofit organizations, and small businesses for services
21 performed or assistance rendered pursuant to the building
22 energy management program. Fees imposed pursuant to this
23 paragraph "b" shall be established by the authority in an amount
24 corresponding to the operational expenses or administrative
25 costs incurred by the authority in performing services or
26 providing assistance authorized pursuant to the building energy
27 management program, as follows:

28 Sec. 3. Section 473.20, subsection 2, Code 2013, is amended
29 to read as follows:

30 2. The authority may facilitate the loan process for
31 political subdivisions of the state, school districts,
32 area education agencies, community colleges, ~~and~~ nonprofit
33 organizations, and small businesses for implementation
34 of energy management improvements identified in an energy
35 analysis. Loans shall be facilitated for all cost-effective

1 energy management improvements. For political subdivisions of
2 the state, school districts, area education agencies, community
3 colleges, ~~and~~ nonprofit organizations, and small businesses to
4 receive loan assistance under the program, the authority shall
5 require completion of an energy management plan including an
6 energy analysis. The authority shall approve loans facilitated
7 under this section.

8 Sec. 4. Section 473.20A, Code 2013, is amended to read as
9 follows:

10 **473.20A Self-liquidating financing.**

11 1. *a.* The authority may facilitate financing agreements
12 that may be entered into with political subdivisions of the
13 state, school districts, area education agencies, community
14 colleges, ~~or~~ nonprofit organizations, or small businesses
15 to finance the costs of energy management improvements on a
16 self-liquidating basis. The provisions of section 473.20
17 defining eligible energy management improvements apply to
18 financings under this section.

19 *b.* The financing agreement may contain provisions, including
20 interest, term, and obligations to make payments on the
21 financing agreement beyond the current budget year, as may
22 be acceptable to political subdivisions of the state, school
23 districts, area education agencies, community colleges, ~~or~~
24 nonprofit organizations, or small businesses.

25 *c.* The authority shall assist the treasurer of state with
26 financing agreements entered into by the treasurer of state on
27 behalf of state agencies pursuant to section 12.28 to finance
28 energy management improvements being implemented by state
29 agencies.

30 2. Political subdivisions of the state, school districts,
31 area education agencies, community colleges, ~~and~~ nonprofit
32 organizations, and small businesses may enter into financing
33 agreements and issue obligations necessary to carry out the
34 provisions of the chapter. Chapter 75 shall not be applicable.

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EXPLANATION

1 This bill makes small businesses eligible to apply for
2 and obtain specified forms of financing for energy-related
3 improvements contained in Code chapter 473.

4 The bill defines a "small business" by reference to the
5 definition of small business contained in Code section 15.102,
6 subsection 10. That definition states that a "small business"
7 means any enterprise which is located in Iowa, which is
8 operated for profit and under a single management, and which
9 has either fewer than 20 employees or an annual gross income
10 of less than \$4 million computed as the average of the three
11 preceding fiscal years. The definition specifically states
12 it does not apply to any program or activity for which a
13 definition for small business is provided for the program or
14 activity by federal law or regulation or other state law.

15 The bill adds small businesses to a list of entities
16 currently eligible to obtain technical assistance and loan
17 facilitation pursuant to the building energy management
18 program and related provisions established by the economic
19 development authority in Code sections 473.19, 473.19A,
20 473.20, and 473.20A. The list includes the state of Iowa,
21 state agencies, political subdivisions of the state, school
22 districts, area education agencies, community colleges, and
23 nonprofit organizations. The bill makes conforming changes
24 where appropriate throughout the Code sections. The bill
25 additionally makes small businesses subject to fees imposed
26 for services performed or assistance rendered pursuant to the
27 program.